

AMENDED IN ASSEMBLY JANUARY 4, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 657

Introduced by Assembly Member Achadjian

February 24, 2015

An act to amend Section 480 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 657, as amended, Achadjian. Property taxation: change in ownership reporting.

Existing property tax law requires, when there is a change in ownership of real ~~property or of property~~, a manufactured ~~home~~ *home*, or a *floating home* that is subject to local property taxation and is assessed by the county assessor, a change in ownership statement to be ~~filed~~ *filed, under penalty of perjury*, in the county where the real ~~property or property~~, manufactured ~~home~~ *home*, or *floating home* is located, as provided. Existing law, in the case of probate, requires the personal representative to file a change in ownership statement with the county recorder or assessor in each county in which the decedent owned real property at the time of death that is subject to probate proceedings. Existing law requires that statement to be filed before or at the time the inventory and appraisal is filed with the court clerk.

This bill instead, in the case of probate, would require the statement to be filed within ~~150 days after the date of death~~ *4 months after the date letters testamentary or letters of administration are first issued to a personal representative with general powers*.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 480 of the Revenue and Taxation Code,*
2 *as amended by Section 6 of Chapter 454 of the Statutes of 2015,*
3 *is amended to read:*

4 480. (a) Whenever there occurs any change in ownership of
5 real property, a manufactured home, or a floating home that is
6 subject to local property taxation and is assessed by the county
7 assessor, the transferee shall file a signed change in ownership
8 statement in the county where the real property, manufactured
9 home, or floating home is located, as provided for in subdivision
10 (c). In the case of a change in ownership where the transferee is
11 not locally assessed, no change in ownership statement is required.

12 (b) The personal representative shall file a change in ownership
13 statement with the county recorder or assessor in each county in
14 which the decedent owned real property at the time of death that
15 is subject to probate proceedings. The statement shall be filed ~~prior~~
16 ~~to or at the time the inventory and appraisal is filed with the court~~
17 ~~clerk.~~ *within four months after the date letters testamentary or*
18 *letters of administration are first issued to a personal*
19 *representative with general powers.* In all other cases in which an
20 interest in real property is transferred by reason of death, including
21 a transfer through the medium of a trust, the change in ownership
22 statement or statements shall be filed by the trustee (if the property
23 was held in trust) or the transferee with the county recorder or
24 assessor in each county in which the decedent owned an interest
25 in real property within 150 days after the date of death.

26 (c) Except as provided in subdivision (d), the change in
27 ownership statement as required pursuant to subdivision (a) shall
28 be declared to be true under penalty of perjury and shall give that
29 information relative to the real property, manufactured home, or
30 floating home acquisition transaction as the board shall prescribe
31 after consultation with the California Assessors' Association. The
32 information shall include, but not be limited to, a description of
33 the property, the parties to the transaction, the date of acquisition,
34 the amount, if any, of the consideration paid for the property,
35 whether paid in money or otherwise, and the terms of the
36 transaction. The change in ownership statement shall not include
37 any question that is not germane to the assessment function. The
38 statement shall contain a notice informing the transferee of the

property tax relief available under Section 69.5. The statement shall contain a notice that is printed, with the title in at least 12-point boldface type and the body in at least 8-point boldface type, in the following form:

~~“Important Notice”~~ *Notice*

~~“The~~ *The* law requires any transferee acquiring an interest in real property, manufactured home, or floating home subject to local property taxation, and that is assessed by the county assessor, to file a change in ownership statement with the county recorder or assessor. The change in ownership statement must be filed at the time of recording or, if the transfer is not recorded, within 90 days of the date of the change in ownership, except that where the change in ownership has occurred by reason of death the statement shall be filed within 150 days after the date of death or, if the estate is probated, ~~shall be filed at the time the inventory and appraisal is filed.~~ *within four months after the date letters testamentary or letters of administration are first issued to a personal representative with general powers.* The failure to file a change in ownership statement within 90 days from the date a written request is mailed by the assessor results in a penalty of either: (1) one hundred dollars (\$100), or (2) 10 percent of the taxes applicable to the new base year value reflecting the change in ownership of the real property, manufactured home, or floating home, whichever is greater, but not to exceed five thousand dollars (\$5,000) if the property is eligible for the homeowners’ exemption or twenty thousand dollars (\$20,000) if the property is not eligible for the homeowners’ exemption if that failure to file was not willful. This penalty will be added to the assessment roll and shall be collected like any other delinquent property taxes, and be subject to the same penalties for nonpayment.”

(d) The change in ownership statement may be attached to or accompany the deed or other document evidencing a change in ownership filed for recording, in which case the notice, declaration under penalty of perjury, and any information contained in the deed or other transfer document otherwise required by subdivision (c) may be omitted.

(e) If the document evidencing a change in ownership is recorded in the county recorder's office, then the statement shall be filed with the recorder at the time of recordation. However, the recordation of the deed or other document evidencing a change in ownership shall not be denied or delayed because of the failure to file a change of ownership statement, or filing of an incomplete statement, in accordance with this subdivision. If the document evidencing a change in ownership is not recorded or is recorded without the concurrent filing of a change in ownership statement, then the statement shall be filed with the assessor no later than 90 days from the date the change in ownership occurs, except that where the change in ownership has occurred by reason of death the statement shall be filed within 150 days after the date of death or, if the estate is probated, ~~shall be filed at the time the inventory and appraisal is filed.~~ *within four months after the date letters testamentary or letters of administration are first issued to a personal representative with general powers.*

(f) Whenever a change in ownership statement is filed with the county recorder's office, the recorder shall transmit, as soon as possible, the original statement or a true copy thereof to the assessor along with a copy of every recorded document as required by Section 255.7.

(g) (1) The change in ownership statement may be filed with the assessor through the United States mail, properly addressed with the postage prepaid.

(2) A change in ownership statement that is filed with the assessor, as authorized by paragraph (1), shall be deemed filed on either the date of the postmark affixed by the United States Postal Service containing the statement or on the date certified by a bona fide private courier service on the envelope containing the statement.

(h) In the case of a corporation, the change in ownership statement shall be signed either by an officer of the corporation or an employee or agent who has been designated in writing by the board of directors to sign those statements on behalf of the corporation. In the case of a partnership, limited liability company, or other legal entity, the statement shall be signed by an officer, partner, manager, or an employee or agent who has been designated in writing by the partnership, limited liability company, or legal entity.

1 (i) No person or entity acting for or on behalf of the parties to
2 a transfer of real property shall incur liability for the consequences
3 of assistance rendered to the transferee in preparation of any change
4 in ownership statement, and no action may be brought or
5 maintained against any person or entity as a result of that
6 assistance.

7 Nothing in this section shall create a duty, either directly or by
8 implication, that the assistance be rendered by any person or entity
9 acting for or on behalf of parties to a transfer of real property.

10 SECTION 1. ~~Section 480 of the Revenue and Taxation Code~~
11 ~~is amended to read:~~

12 ~~480. (a) Whenever there occurs any change in ownership of~~
13 ~~real property or of a manufactured home that is subject to local~~
14 ~~property taxation and is assessed by the county assessor, the~~
15 ~~transferee shall file a signed change in ownership statement in the~~
16 ~~county where the real property or manufactured home is located,~~
17 ~~as provided for in subdivision (c). In the case of a change in~~
18 ~~ownership where the transferee is not locally assessed, no change~~
19 ~~in ownership statement is required.~~

20 ~~(b) The personal representative shall file a change in ownership~~
21 ~~statement with the county recorder or assessor in each county in~~
22 ~~which the decedent owned real property at the time of death that~~
23 ~~is subject to probate proceedings. The statement shall be filed~~
24 ~~within 150 days after the date of death. In all other cases in which~~
25 ~~an interest in real property is transferred by reason of death,~~
26 ~~including a transfer through the medium of a trust, the change in~~
27 ~~ownership statement or statements shall be filed by the trustee (if~~
28 ~~the property was held in trust) or the transferee with the county~~
29 ~~recorder or assessor in each county in which the decedent owned~~
30 ~~an interest in real property within 150 days after the date of death.~~

31 ~~(c) Except as provided in subdivision (d), the change in~~
32 ~~ownership statement as required pursuant to subdivision (a) shall~~
33 ~~be declared to be true under penalty of perjury and shall give that~~
34 ~~information relative to the real property or manufactured home~~
35 ~~acquisition transaction as the board shall prescribe after~~
36 ~~consultation with the California Assessors' Association. The~~
37 ~~information shall include, but not be limited to, a description of~~
38 ~~the property, the parties to the transaction, the date of acquisition,~~
39 ~~the amount, if any, of the consideration paid for the property,~~
40 ~~whether paid in money or otherwise, and the terms of the~~

1 transaction. The change in ownership statement shall not include
2 any question that is not germane to the assessment function. The
3 statement shall contain a notice informing the transferee of the
4 property tax relief available under Section 69.5. The statement
5 shall contain a notice that is printed, with the title in at least
6 12-point boldface type and the body in at least 8-point boldface
7 type, in the following form:

8
9 “Important Notice”

10
11 “The law requires any transferee acquiring an interest in real
12 property or manufactured home subject to local property taxation,
13 and that is assessed by the county assessor, to file a change in
14 ownership statement with the county recorder or assessor. The
15 change in ownership statement must be filed at the time of
16 recording or, if the transfer is not recorded, within 90 days of the
17 date of the change in ownership, except that where the change in
18 ownership has occurred by reason of death the statement shall be
19 filed within 150 days after the date of death. The failure to file a
20 change in ownership statement within 90 days from the date a
21 written request is mailed by the assessor results in a penalty of
22 either: (1) one hundred dollars (\$100), or (2) 10 percent of the
23 taxes applicable to the new base year value reflecting the change
24 in ownership of the real property or manufactured home, whichever
25 is greater, but not to exceed five thousand dollars (\$5,000) if the
26 property is eligible for the homeowners’ exemption or twenty
27 thousand dollars (\$20,000) if the property is not eligible for the
28 homeowners’ exemption if that failure to file was not willful. This
29 penalty will be added to the assessment roll and shall be collected
30 like any other delinquent property taxes, and be subject to the same
31 penalties for nonpayment.”

32
33 (d) The change in ownership statement may be attached to or
34 accompany the deed or other document evidencing a change in
35 ownership filed for recording, in which case the notice, declaration
36 under penalty of perjury, and any information contained in the
37 deed or other transfer document otherwise required by subdivision
38 (c) may be omitted.

39 (e) If the document evidencing a change in ownership is
40 recorded in the county recorder’s office, then the statement shall

1 be filed with the recorder at the time of recordation. However, the
2 recordation of the deed or other document evidencing a change in
3 ownership shall not be denied or delayed because of the failure to
4 file a change of ownership statement, or filing of an incomplete
5 statement, in accordance with this subdivision. If the document
6 evidencing a change in ownership is not recorded or is recorded
7 without the concurrent filing of a change in ownership statement,
8 then the statement shall be filed with the assessor no later than 90
9 days from the date the change in ownership occurs, except that
10 where the change in ownership has occurred by reason of death
11 the statement shall be filed within 150 days after the date of death.

12 ~~(f) Whenever a change in ownership statement is filed with the~~
13 ~~county recorder's office, the recorder shall transmit, as soon as~~
14 ~~possible, the original statement or a true copy thereof to the~~
15 ~~assessor along with a copy of every recorded document as required~~
16 ~~by Section 255.7.~~

17 ~~(g) (1) The change in ownership statement may be filed with~~
18 ~~the assessor through the United States mail, properly addressed~~
19 ~~with the postage prepaid.~~

20 ~~(2) A change in ownership statement that is filed with the~~
21 ~~assessor, as authorized by paragraph (1), shall be deemed filed on~~
22 ~~either the date of the postmark affixed by the United States Postal~~
23 ~~Service containing the statement or on the date certified by a bona~~
24 ~~fide private courier service on the envelope containing the~~
25 ~~statement.~~

26 ~~(h) In the case of a corporation, the change in ownership~~
27 ~~statement shall be signed either by an officer of the corporation or~~
28 ~~an employee or agent who has been designated in writing by the~~
29 ~~board of directors to sign those statements on behalf of the~~
30 ~~corporation. In the case of a partnership, limited liability company,~~
31 ~~or other legal entity, the statement shall be signed by an officer,~~
32 ~~partner, manager, or an employee or agent who has been designated~~
33 ~~in writing by the partnership, limited liability company, or legal~~
34 ~~entity.~~

35 ~~(i) No person or entity acting for or on behalf of the parties to~~
36 ~~a transfer of real property shall incur liability for the consequences~~
37 ~~of assistance rendered to the transferee in preparation of any change~~
38 ~~in ownership statement, and no action may be brought or~~
39 ~~maintained against any person or entity as a result of that~~
40 ~~assistance.~~

- 1 ~~Nothing in this section shall create a duty, either directly or by~~
- 2 ~~implication, that the assistance be rendered by any person or entity~~
- 3 ~~acting for or on behalf of parties to a transfer of real property.~~